

## Message Text

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ACTION TRSE-00

INFO OCT-01 EA-07 NEA-10 ISO-00 IO-10 H-02 L-03 PRS-01

PA-01 SP-02 AID-05 EB-07 NSC-05 CIEP-01 SS-15 STR-04

OMB-01 CEA-01 CIAE-00 COME-00 FRB-03 INR-07 NSAE-00

USIA-06 XMB-02 OPIC-03 LAB-04 SIL-01 /102 W

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R 260857Z NOV 75

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 9820

INFO AMEMBASSY DACCA

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PASS TREASURY FOR ZINMAN

E O 11652: ADS, DECLAS 2/26/76

TAGS: EAID, EFIN, BG

SUBJ: ADB LOAN AND TECHNICAL ASSISTANCE (TA): AGRICULTURAL  
CREDIT PROJECT (BANGLADESH)

REF: A) BURKE/LEVINTOW TELECON 11/25/75; B) MANILA 15658;

C) DACCA 5590; D) ZINMAN/PAPP TELECON O/A 11/18/75

1. ADB BOARD OF DIRECTORS ON NOVEMBER 25 APPROVED SUBJECT  
LOAN AND TA. PRESS RELEASE BEING POUCHED.

2. IN RESPONSE TO CONCERNS EXPRESSED BY U.S. AND  
OTHER DIRECTORS REGARDING RECENT EVENTS IN BANGLADESH AND  
QUESTIONS RE PROSPECTS FOR CARRYING OUT THIS PROJECT AND  
OTHER DEVELOPMENT ACTIVITIES, STAFF REVIEWED FOR BOARD  
BANGLADESH GOVERNMENT CHANGES WHICH TOOK PLACE 15 AUGUST,  
3 NOVEMBER, AND 7 NOVEMBER CULMINATING IN ESTABLISHMENT  
MARTIAL LAW REGIME.

3. STAFF CHARACTERIZED PRESENT 4-MAN MARTIAL LAW ADMINI-  
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STRATION AS NON-PARTY, NON-POLITICAL GOVERNMENT WHICH

HAS ASSURED BANK THEY CONTEMPLATE NO CHANGES IN ESTABLISHED DEVELOPMENT PRIORITIES; INTENTION CONTINUE IMPLEMENTING APPROVED PROJECTS; PLANNING AND FINANCE OFFICIALS STILL FUNCTIONING. STAFF ALSO ASSERTED THAT UNDP AND IBRD CONTINUING IN-COUNTRY PROGRAMS, THAT IBRD CURRENTLY FIELDING ECONOMIC MISSION TO CONDUCT IN-DEPTH ASSESSMENT ECONOMIC SITUATION, DEVELOPMENT PLANS AND PROGRAMS. BANK BELIEVES CONTINUATION PRIORITY PROJECTS AT THIS TIME FULLY JUSTIFIED.

4. DURING EXTENSIVE BOARD CONSIDERATION OF PROJECT, U.S. DIRECTOR URGED THAT IN IMPLEMENTATION OF LOAN, BANK SHOULD DETERMINE THAT ALL COVENANTS (INCLUDING THOSE REQUIRED TO MAKE LOAN EFFECTIVE) BE FULLY COMPLIED WITH TO ASSURE THAT PROJECT REMAIN VIABLE.

5. IN ADDITION TO ASSURING FULL COMPLIANCE WITH LOAN COVENANTS, DIRECTORS REQUESTED AND MANAGEMENT AGREED TO MAKE SPECIAL LOAN ADMINISTRATION REPORT TO BOARD OF DIRECTORS WITHIN SIX MONTHS OF DATE OF LOAN EFFECTIVENESS.

6. AT CONCLUSION OF BOARD DISCUSSION, PRESIDENT ASSURED THAT MANAGEMENT WOULD BE EXTREMELY CAREFUL TO CLOSELY MONITOR THIS AND OTHER BANGLADESH PROJECTS.

7. TELECON REF A RECEIVED WHILE BOARD SESSION UNDER WAY AND DURING CONSIDERATION THIS PROJECT. HOWEVER, USADB HAD NOTED IN EARLIER TELECON (REF D) THAT BANK COMMITTED THIS YEAR TO PROCEED WITH CONSIDERATION TWO BANGLADESH LOANS, SUBJECT PROJECT AND DACCA GAS DISTRIBUTION PROJECT (SCHEDULED FOR CONSIDERATION 23 DECEMBER, PER MANILA 16356); BANK HAD AGREED CARRY OVER TO 1976 CHITTAGONG POWER DISTRIBUTION PROJECT. BANK INTENDS EXERCISE EXTREME PRUDENCE BEFORE PROCEEDING WITH ACTUAL DISBURSEMENTS UNDER LOAN. SULLIVAN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGRICULTURAL DEVELOPMENT, TECHNICAL ASSISTANCE, BANK LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 26 NOV 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** RowellE0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Errors:** N/A  
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**Review Comment:** n/a  
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**Review Date:** 23 JUL 2003  
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**TAGS:** EAID, EFIN, BG, ADB  
**To:** STATE  
**Type:** TE  
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